

Message Text

CONFIDENTIAL

PAGE 01 JIDDA 06943 260900Z

50

ACTION NEA-10

INFO OCT-01 EUR-12 EA-06 ISO-00 SP-02 AID-05 EB-07 NSC-05

RSC-01 CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01

COME-00 FRB-01 PA-01 PRS-01 USIA-06 /077 W

----- 113356

R 260730Z NOV 74

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 9381

INFO AMEMBASSY BEIRUT

AMCONSUL DHAHRAN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY TOKYO

C O N F I D E N T I A L JIDDA 6943

E.O. 11652: GDS

TAGS: EFIN, SA, US

1. SUMMARY: IT SEEMS LIKELY THAT SAUDI ARABIAN MONETARY AGENCY WILL SHORTLY SIGN A CONTRACT WITH AMERICAN AND BRITISH BROKERAGE FIRMS FOR FIVE ADVISORS TO BE RESIDENT IN SAUDI ARABIA. THREE WILL BE AMERICAN AND TWO BRITISH. THE ADVISORS WILL DIRECTLY ASSIST THE STAFF OF SAMA IN THE PLACEMENT OF SAUDI SURPLUSES IN ALL TYPES OF INVESTMENT.

END SUMMARY.

2. THREE-MAN TEAM FROM WHITE WELD AND COMPANY, NEW YORK CITY, BEGAN NEGOTIATIONS NOVEMBER 24 WITH SAUDI ARABIAN MONETARY AGENCY TO ESTABLISH A TWO-PHASE PROGRAM FOR ADVISORY INVESTMENT SERVICES TO SAUDI ARABIA. HEADED BY PAUL HALLINGBY, JR., PRESIDENT OF WHITE WELD, THE TEAM IS BEING ASSISTED IN NEGOTIATIONS BY A BRITISH BROKERAGE HOUSE, BARINGS OF LONDON, WHO WILL JOIN IN THE EXPECTED CONTRACT.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 JIDDA 06943 260900Z

3. THE FIRST PHASE OF THE CONTRACT WILL BE FOR SIX

MONTHS AND WILL INVOLVE FIVE EXPERTS, THREE FROM THE UNITED STATES AND TWO FROM ENGLAND. THEY WILL BE RELATIVELY HIGH-LEVEL EXPERTS IN INVESTMENT BANKING OPERATIONS.

4. HALLINGBY IS UNABLE AS YET TO GIVE ANY FURTHER DETAILS OF HOW THE NEGOTIATIONS ARE GOING. THESE DISCUSSIONS ARE CONTINUATIONS OF TALKS INTERRUPTED IN WASHINGTON BY THE DEATH OF GOVERNOR ANWAR ALI. THE CONTRACT IS NOT EXPECTED TO BE SIGNED IMMEDIATELY, BUT IS LIKELY BEING PUSHED BY THREE HIGH-LEVEL ADVISORS TO SAMA, HEADED BY JOHN MEYER OF MORGAN GUARANTY AND PETER FLEMINGS OF THE LONDON HOUSE OF THE SAME NAME, WHO ARE BACK IN JIDDA FOR THIS PURPOSE. HUGE RECEIPTS AND REINVESTMENTS POURING IN DURING THIS FINAL QUARTER OF 1974 MAKE THE PROBLEM URGENT. ADVISORS MET WITH MINISTER OF FINANCE MUSA'ID NOV 23. ACTING GOVERNOR KHALID AL QUSAYBI REPORTEDLY IS HESITANT ABOUT THE NEW CONTRACT BUT IS EXPECTED TO SUPPORT IT EVENTUALLY. AKINS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, CONSULTANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974JIDDA06943
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740342-0905
From: JIDDA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741112/aaaaajyu.tel
Line Count: 81
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 07 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 MAY 2002 by boyleja>; APPROVED <19-Nov-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MONETARY ADVISORS
TAGS: EFIN, SA, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005